

**SCHEME OF COMPROMISE OR ARRANGEMENT —
THRESHOLDS UNDER THE COMPANIES ORDINANCE AND
TAKEOVERS CODE**

CO / Takeovers Code	Test	Threshold
CO s 166(2)	Headcount	Majority in number of the members, creditors, or the relevant class, present and voting in person or by proxy at the meeting of members or creditors.
CO s 166(2)	Share value	75% in value of the members, creditors, or the relevant class, of those present and voting in person or by proxy at the meeting of members or creditors.
Takeovers Code Rule 2.10	Voted disinterested shares	75% of the votes attaching to the disinterested shares that are cast either in person or by proxy at a duly convened meeting of the holders of the disinterested shares .
Takeovers Code Rule 2.10	No substantial objection of disinterested minorities	Number of votes cast against the scheme at the meeting of the holders of the disinterested shares is not more than 10 % of the votes attaching to all disinterested shares .
CO s 166(1) and case law	Court sanction	In exercising its power of sanction the court must be satisfied with the following matters: <ul style="list-style-type: none"> (a) compliance with the statutory provision; (b) the class of members is fairly represented and the statutory majority are acting bona fide and not coercing

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		<p>the minority in order to promote interests adverse to those of the class; and</p> <p>(c) the scheme may reasonably be approved by an intelligent and honest man of that class acting in respect of his interest.</p>